70 Senators Back Israeli Loan Plan

White House Request For Delay Approved

By Helen Dewar
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More than two-thirds of the Senate yesterday sponsored legislation to grant $10 billion in loan guarantees to Israel for settlement of Soviet Jews but agreed to President Bush's request to put off action on the measure until early next year.

The list of cosponsors, which totaled 70, three more than necessary to override a presidential veto, should serve as a signal of the Senate's strong support for the loan guarantees when the fiscal 1992 foreign aid spending bill is considered in late January or early February, senators said.

The move was in line with comments by House and Senate leaders late last month that Congress was prepared to go along with Bush's request for a 120-day delay in order to avoid a bitter confrontation over Israeli settlement policies that could disrupt the fragile Middle East peace process.

But some senators indicated they were agreeing to the delay with considerable reluctance. And the agreement did not address the contentious issue of putting conditions on the loan guarantees to discourage expansion of settlements in occupied territories, a move that is being advocated by Sen. Patrick J. Leahy (D-Vt.) and others.

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Leahy did not cosponsor the loan guarantee bill but welcomed the delay. Twenty-five Republicans joined 45 Democrats in cosponsoring the bill. Neither Majority Leader George J. Mitchell (D-Maine) nor Minority Leader Robert J. Dole (R-Kan.) was among them.

The White House issued a statement praising the delay and reiterating its commitment to "absorption aid" but not necessarily loan guarantees. Administration officials said the number of cosponsors does not reflect support for the bill. "It says nothing on conditions. It says nothing on what they might do if we end up having to oppose some package of guarantees. It only says they support absorption aid and so do we," one official said.

An official also said the fading of congressional support for immediate action on the bill amounted to a defeat for the pro-Israeli lobby. "The assumption that the pro-Israel lobby could not be beat is now gone," the official said.

However, the American Israel Public Affairs Committee (AIPAC) interpreted the gathering of 70 cosponsors for the bill as a victory. "We're extremely pleased with overwhelming bipartisan support in the Congress for securing the refugee guarantees," said Toby Dershowitz, spokeswoman for AIPAC.

Staff writer Ann Devroy contributed to this report.